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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/758,530

01/16/2004

Richard Douglas Lawrence

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08/19/2008

WHITHAM, CURTIS & CHRISTOFFERSON & COOK, P.C.

11491 SUNSET HILLS ROAD

SUITE 340

RESTON, VA 20190

EXAMINER

CHANG, LI WU

ART UNIT

PAPER NUMBER

2129

MAIL DATE

DELIVERY MODE

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/758,530	<b>Applicant(s)</b> LAWRENCE ET AL.	
	<b>Examiner</b> LIWU CHANG	<b>Art Unit</b> 2129	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 16 January 2004.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 29 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 29 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 16 January 2004 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>11/19/2004</u> .  | 6) <input type="checkbox"/> Other: _____                          |

### DETAILED ACTION

1. Claims 1-28 are cancelled. Claim 29 is new. Claim 29 is pending.

#### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claim 29 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claim is directed to a process. The process is not tied to a statutory class and can be a software program. Accordingly, claim 29 that is directed to software that is not embodied on a computer readable storage medium is not statutory.

#### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claim 29 is rejected under 35 U.S.C. 103(a) as being unpatentable over **Peak** ("The risks and effects of outsourcing on the information systems function and the firm",

thesis, U. of North Texas, 1994), hereinafter **Peak**, in view of **Nafeh** et al. (US Pub. No. 2002/0069155 A1), hereinafter **Nafeh**, and further in view of Russell-Falla et al. (US Pub. No. 2005/0108227) and hereinafter **Russell**.

4. With respect to claim 29, Peak discloses a process for identifying companies likely to outsource services (**Peak**: pg 1, par 1, L 1-3) comprising the steps of:

including Positive Examples, Negative Examples and Candidate Examples including thousands of Candidate Examples (**Peak**: Tables 12-15, low score on bad “perceptions” are Positive example, and high score of bad perception are example of negative example. Pg 117, sec 13, L 10-12, the “threshold” that may be based on pgs 138-9, EQ(1)-(3), “regression” analysis, describe the Candidate example from a client perspective);

reducing or extracting the publicly available information held in the database to obtain a set of metrics or features inputtable to a mathematical model (**Peak**: pg 150, item 7, “stock price”, pg 93, Table 7, “effect on the firm”, are examples of the metric, and pg 93, Table 7, “profitability”, pg 102, Table 9, “risk-increasing” are examples the feature, and pg 85, EQ(2) shows a mathematical model, and pg 145, L 12-13, describe the database);

applying data mining techniques to the publicly available information, and identifying Positive Examples each Positive Example being uniquely defined by a name of a company that signed an outsourcing contract with any provider and a date of signing of the contract (**Peak:** pg 138, sec “Research Design”, the regression model can be a data mining techniques, pg 142, sec Data Collection, “... firms that had announced IS outsourcing ...” and “bibliometric search” describe the contract signing and dates);

further identifying Negative Examples each Negative Example being uniquely defined by a name of a company unlikely to outsource and a date of a predisposition not to outsource (**Peak:** Table 8 shows the Negative Example and pg 108, L 8-12, “... relationship between the perceptions and outsourcing ...” imply the pre-disposition not to outsource);

constructing the mathematical model, including constructing the model to take as inputs the metrics or features for each Positive Example and each Negative Example (**Peak:** pg 138, sec “Research Design” describe mathematical mode and feature and metrics inputs);

initially presenting all metrics or features to the model, followed by selecting a subset of metrics or features that are mathematically

most likely to differentiate Positive Examples and Negative Examples (**Peak**: pg 138, EQ(1) as an initial regression model, and pg 139, EQ(2) to most likely differentiate a firm);

training the mathematical model with the Positive Examples and the Negative Examples (**Peak**: pg 139, EQ(3));

categorizing each example as a Positive Example, a Negative Example or a Candidate company, wherein a Candidate company is a candidate for outsourcing (**Peak**: e.g., pg 153, par 3, "... requires neither IS nor outsourcing ..." is an example of Negative Example based on risk feature, positive evaluation as in Table 26, pg 134 or change in "firm's securities" or "the firm's capital structure" as in chapter 3 are Positive Example, and the score from questionnaire on "Reasons for outsourcing" in pg 202 implies the decision criteria for Candidate company);

for the categorized example, identifying a signal period, with the signal period being a time over which the metrics or features will be defined (**Peak**: pg 150, item 8 and item 9 describe the days and window period);

with the signal period identification comprising:

specifying the signal periods for Negative Examples (**Peak**: pp 151, par 3, L 11-13, "... far from the announcement date ..." which can be more than ninety days stock returns or 45 days stock options);

specifying the signal periods for Positive Examples (**Peak**: pg 151, par 3, L 7-9, "... eleven days prior to the announcement date ...");

including, for a company having both a Negative Example and a subsequent Positive Example, introducing a Blackout Period so that a signal period for the Negative Example for the company having both Negative and subsequent Positive Examples exhibits no influence with regard to the subsequent Positive Example for the same company (**Peak**: Blackout Period may range from "eleven days" to "91-day event window for the stock returns" or "31-day event window for option" "prior to the announcement date");

specifying the signal periods for Candidate examples (**Peak**: -45 through +45 days as in Table 31);

predicting a likelihood or propensity that each Candidate

company will enter into an outsourcing contract at a current date  
(**Peak**: pp 108, " linear relationship between perceptions and  
outsourcing" and data collected within the proper period imply the  
prediction);

Peak does not expressly disclose "importing from various data  
providers publicly available information comprising SEC filings,  
executive management changes, corporate mergers and  
acquisitions, and holding in a single data  
base the imported data for all companies".

Nafeh discloses "importing from various data providers publicly  
available information comprising SEC filings, executive management  
changes, corporate mergers and acquisitions, and holding in a  
single data base the imported data for all companies" (**Nafeh**:  
[0075], "SEC", [0501], L 1-3, change the ownership or management,  
[0103], L1, "merger", and Abstract, L 3-5, "contracts" implies handling  
data from multiple companies).



It would have been obvious for one of ordinary skill in the art to incorporate financial information, as taught by Nafeh, into the teachings of Peak, because that financial information provides useful metrics to assist outsourcing decision analysis.

The combined teachings of Peak and Nafeh do not disclose "ranking" in "as to the predicted likelihood or propensities, ranking the Candidate companies and outputting a target list in which the Candidate companies are ranked". Russell discloses "as to the predicted likelihood or propensities, ranking the Candidate companies and outputting a target list in which the Candidate companies are ranked" (**Russell**: Fig 1, block 42 shows the weighting and outputs the ranked list). It would have been obvious for one of ordinary skill in the art at the time of invention to incorporate the teachings of Russell by implementing ranking as a decision method in Peak, because ranking is notoriously common in decision analysis.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to LIWU CHANG whose telephone number is 571-270-3809. The examiner can normally be reached on 8:30AM - 6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, David Vincent can be reached on 571-272-3080. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/L. C./  
Examiner, Art Unit 2129

July 24, 2008

/David R Vincent/  
Supervisory Patent Examiner, Art Unit 2129